

# UN Global Compact Communication on Progress

Chairman's Letter 2022



Dear Secretary-General,

I am glad to reaffirm PwC's commitment to the 10 principles of the United Nations Global Compact (UNGC) and would like to thank you for your continued leadership in encouraging responsible business practices and advancing the Sustainable Development Goals.

Wider societal disruptions continue to pose serious challenges that the world must face – from humanitarian crises caused by conflicts, to the impacts of the pandemic on people and economies, to the ongoing threat of climate change and more. PwC believes that business has a key role to play in helping to address these challenges and we are committed to playing our part.

As part of **PwC's strategy**, The New Equation, we are working as a community of solvers to bring the best of our people, powered by technology, to help build trust and deliver sustained outcomes at scale. We believe that our economies need to be recouped with societal progress in order to create a more sustainable, equitable and just world, and we are committed to furthering progress towards the UN Sustainable Development Goals (SDGs), which are critical to addressing the design

problems in our economy. After all, business does not prosper in societies that are not prospering.

To support these efforts, we are taking proactive measures in areas ranging from helping humanitarian relief efforts caused by crises such as the Russian government's invasion of Ukraine, to supporting the net zero transition, to upskilling our people and communities, to engaging with policymakers to advocate for much-needed reforms in the public interest, and to collaborating with our broader stakeholders on broader issues of mutual concern.

You can read a few examples of our impact below, as well as in our annual communication on progress and our **Global Annual Review**.



**Bob Moritz**  
Global Chairman, PwC

## Our response to the war in Ukraine

We continue to be shocked and horrified by the senseless war that the Russian government is inflicting on Ukraine and its people. As we galvanized our response, our main focus has been helping our Ukrainian colleagues and supporting the humanitarian efforts underway to aid the people of Ukraine.

I am proud of how we have come together across our network to support those in need, donating money, taking colleagues and their families into homes and reaching out with messages of support. At the time of writing, we have donated a total of US \$5.3 million and have received over 730 offerings from across the PwC network from colleagues offering to host Ukrainian colleagues. Seventy-two employees and over 140 family members are currently being hosted by PwC people within the Central Eastern European region.

But helping Ukrainian colleagues is just a part of our responsibility. As a result of the Russian government's invasion of Ukraine we decided that, under the circumstances, PwC should not have a member firm in Russia and consequently PwC Russia will leave the Network. You can read more about our response [here](#).

We know that this crisis is one of many refugee crises around the world. Strong and continued international solidarity and collaboration will be needed to support the millions of refugees who have been forced to flee their homes worldwide, and we believe this will require all sectors, including business, to play a role. We've been providing support in other parts of the world too. Amongst the many examples, we are working with a local NGO in Bangladesh to establish and enhance healthcare centres in the world's single largest refugee camp which is home to about 880,000 Rohingya refugees.

## Upskilling

Our continued focus on upskilling is how we are contributing to connecting the emerging labor force with opportunities for decent work. Our **New world. New skills.** global programme is aimed at addressing the mismatch between the skills people have today and those needed for the digital world. Of the 4.3 million people, NGOs and social and micro enterprises we reached last year through our community programmes, over 50% (2.7 million) were involved in “New world. New skills.” programmes.

To help address the pressing global youth skills challenge, we are collaborating with UNICEF in support of Generation Unlimited (GenU), our collective aim is to upskill millions of young people around the world. We co-developed a report - **Reaching YES: Addressing the youth employment skilling challenge** - which sets out four high-impact actions governments and businesses can take to help young people get the skills they need for the future. In South Africa, we are collaborating with GenU to support young women in developing Science, Technology, Engineering, Arts and Mathematics (STEAM) skills, as well as to support and develop entrepreneurial skills, and in India, we are helping to transform education, skilling and employment for India’s 300 million-plus young people.

PwC is also a member of the World Economic Forum **Reskilling Revolution**, an initiative that aims to provide one billion people with better education, skills and jobs by 2030. We are working closely with the Forum to create a universal skills accreditation and badging ecosystem.

## Environmental sustainability

Since announcing PwC’s **2030 net zero commitment** in 2020, we are pleased to have had our **targets validated by the Science Based Targets initiative (SBTi)**. Importantly, our targets cover emissions across our whole value chain, including both direct and indirect emissions across scope 1, 2 and 3. We also extended switching to 100% renewable electricity to all of our operations by 2030.

Our net zero commitment will require us to transform our business model to decarbonise our value chain, increase transparency, and support the development of robust ESG reporting frameworks and standards. Recognising that our commitment is going to take an effort across our whole business, we have appointed Net Zero Leaders for every geography where we operate.

One prominent example of The New Equation in action is how we use innovation and technology across our network to help teams manage their carbon footprint. In the Netherlands for example, PwC launched the **Environmental Footprints Insights app** to help our

## Social inclusion

Embedding a culture of belonging and equity is a critical step to building trust within our organization and working together to deliver sustained outcomes for our clients and broader stakeholders.

Across the PwC network, our firms are focused on a wide range of social inclusion initiatives. A few examples include the US, where in addition to its ongoing support for the **CEO Action for Racial Equity** fellowship and its **Skills for Society program**, PwC US recently committed US\$125 million to help prepare **25,000 Black and Latinx college students for their business careers**. In Canada, PwC is a founding sponsor of **The Onyx Initiative**, a non-profit designed to help Black college and university students join the corporate workforce. And in the UK, PwC has formed a partnership with the **Refugee Council** to help refugees in the UK get back into the job market by providing training on employability skills, including working on professional communication and interview practice.

We have also committed as a network to support a number of key partnerships to expand our impact. We joined **the Valuable 500** to strengthen disability inclusion in the workplace and have appointed our first Global Disability Leader to guide the strategy within our firms. Additionally, we remain dedicated members of the **HeForShe Alliance** and the **Partnership for Global LGBTQI+ Equality** to advance inclusion and social progress within our workplace and the communities in which we operate.



people understand the impact of their mobility choices, and plan and carry out their projects more sustainably. It has also implemented an internal price on carbon and is using the resulting budget to fund initiatives that help address its climate impact. The funds generated from the internal carbon pricing have been used to accelerate PwC Netherlands' transition to an electric car fleet and support the supply and use of Sustainable Aviation Fuels (SAFs). One way they are doing this is by their five-year contract with SkyNRG for the **purchase of biokerosene** as well as supporting the development of a new production facility for **sustainable aviation fuels**.

Across our network, we continue to engage with clients and suppliers to support them in tackling their climate impact. We conducted an analysis of our supply chain and set a target to work with suppliers that share our level of climate ambition and commit that 50% of our purchased goods and services suppliers, by emissions, will have set science-based targets to reduce their own climate impact by FY25. We have also joined initiatives to help achieve a net zero economy such as the First Movers Coalition, and the Business Ambition for 1.5°C and the UN's Race to Zero campaigns. And PwC was a founding member of the Net Zero Financial Services Providers Alliance which means that we will report on how our audit services are consistent with net zero goals.

## Reporting reform and corporate transparency

We believe there is an urgent need for systemic economic reform to reset incentives and align economic interests with societal interests. This conviction is at the heart of our active engagement in global dialogues about the future of corporate reporting. By making it easier for investors and other stakeholders to understand how a company is performing on key societal issues, reporting empowers them to allocate capital and support to organizations that are managing risk effectively and creating sustainable value. Reporting can drive the business transformation needed to address global issues like climate change and social disparities.

We have continued to work with a wide range of stakeholders on the quest to develop a common set of non-financial reporting metrics. This has included being heavily involved in discussions around the efforts of five leading standard-setting organisations for corporate sustainability reporting - the CDP, CDSB, GRI, IIRC and SASB - to reach a common understanding. We support the establishment of the **International Sustainability Standards Board** (ISSB), as well as the announcement

from the Global Reporting Initiative (GRI) and the ISSB on their intention to coordinate their work programmes and standard-setting activities.

We have also continued our collaboration with the World Economic Forum International Business Council to promote the universal set of ESG metrics that it published in 2020, and are on our own journey towards increased transparency, which includes reporting on the **21 core stakeholder capitalism metrics** in our Global Annual Review.

We also continue to engage with major global organisations including the G20, OECD, UN, EU on advancing globally accepted non-financial reporting standards.

We remain steadfast in delivering positive societal and environmental outcomes, and value our membership of the UNGC very highly. We look forward to continuing to work together to make sure business is a force for good in society.

